

STATE OF HAWAII DEPARTMENT OF PUBLIC SAFETY

919 Ala Moana Boulevard, 4th Floor Honolulu, Hawaii 96814 NOLAN P. ESPINDA DIRECTOR

Cathy Ross
Deputy Director
Administration

Deputy Director Corrections

Shawn H. Tsuha Deputy Director Law Enforcement

TESTIMONY ON HOUSE BILL 346 RELATING TO THE CIVIL PROCESS

Nolan P. Espinda, Director Department of Public Safety

House Committee on Finance Representative Sylvia Luke, Chair Representative Scott Y. Nishimoto, Vice Chair

Friday, February 27, 2015; 1:30 PM State Capitol, Conference Room 308

Chair Luke, Vice Chair Nishimoto, and Members of the Committee:

The Department of Public Safety (PSD) **supports the intent** of House Bill 346, which would increase service of process fees in Hawaii. The PSD notes that it has been more than ten years since the fee structure has been examined and, since that time, the cost of doing business in Hawaii has increased.

The Working Group on the Service of Process, convened pursuant to Act 116 of the 2013 Legislature, did not make a recommendation on this issue, but came to a consensus that follow-up discussion and debate would help to ensure that the due process rights of the respondents and the interests of the plaintiffs are satisfied and that the costs incurred by the service are recovered by the process server.

Thank you for the opportunity to present this testimony.

From: mailinglist@capitol.hawaii.gov

Sent: Thursday, February 26, 2015 10:44 AM

To: FINTestimony

Cc: acp@allcivilprocess.com

Subject: Submitted testimony for HB346 on Feb 27, 2015 13:30PM

HB346

Submitted on: 2/26/2015

Testimony for FIN on Feb 27, 2015 13:30PM in Conference Room 308

Submitted By	Organization	Testifier Position	Present at Hearing
MICHAEL S. A. SHANNON	ALL CIVIL PROCESS	Support	No

Comments: I have been in this business for 20 years and the last increase in service fees and mileage fees was in July 2001. I think its time for fair compensation for both service fees and mileage. The process of serving a document is much more than what people think. It involves communicating with people, locating the individual to be served along with verbal tact. The time spent serving someone is worth much more than the current compensation for service. I fully support the Hawaii Deputies Sheriffs Association and House Bill 346 for increase of service fees and mileage. Much Mahalo, Michael Akoni Shannon.

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.



Mortgage Bankers Association of Hawaii P.O. Box 4129, Honolulu, Hawaii 96812

February 25, 2015

The Honorable Sylvia Luke, Chair, The Honorable Scott Nishimoto, Vice Chair, and Members of the House Committee on Finance State Capitol, Room 308 Honolulu, Hawaii 96813

Re: House Bill 346 Relating to Civil Process

Chair Luke, Vice Chair Nishimoto, and Members of the House Committee on Finance:

I am Linda Nakamura, representing the Mortgage Bankers Association of Hawaii ("MBAH"). The MBAH is a voluntary organization of individuals involved in the real estate lending industry in Hawaii. Our membership consists of employees of banks, savings institutions, mortgage bankers, mortgage brokers, financial institutions, and companies whose business depends upon the ongoing health of the financial services industry of Hawaii. The members of the MBAH originate or support the origination of the vast majority of residential and commercial real estate mortgage loans in Hawaii. When, and if, the MBAH testifies on legislation, it is related only to mortgage lending.

The MBAH supports the intent of House Bill 346 as we understand that fees relating to service of process should increase as the costs to maintain and operate the related services increase. The majority of the proposed fee increases are over 100%. We feel that a review of the fee increases is needed to ensure that the increases are reasonable.

Thank you for the opportunity to present this testimony.

LINDA NAKAMURA Mortgage Bankers Association of Hawaii



1654 South King Street Honolulu, Hawaii 96826-2097 Telephone: (808) 941.0556 Fax: (808) 945.0019

nite_{for} Web site: www.hcul.org **Good** Email: info@hcul.org

Testimony to the House Committee on Finance February 27, 2015

Comments on HB 346, Relating to Service of Process

To: The Honorable Sylvia Luke, Chair
The Honorable Scott Nishimoto, Vice-Chair
Members of the Committee

My name is Stefanie Sakamoto, and I am testifying on behalf of the Hawaii Credit Union League, the local trade association for 70 Hawaii credit unions, representing approximately 804,000 credit union members across the state. We provide the following comments on HB 346 as presently written.

While we understand and agree with the need for a fee increase with regards to service, this increase as written is more than 100%. We understand that the cost should be raised, but we would ask that the increase be reasonable. Credit unions are not-for-profit financial cooperatives owned and governed by their members, and any increase in fees/operations are passed on to their members.

Thank you for the opportunity to provide comments.



Collection Law Section

Chair:

Steven Guttman

Vice Chair: William J. Plum

Secretary: Thomas J. Wong

Treasurer: Arlette S. Harada

February 26, 2015

Re:

Directors:

Lynn Araki-Regan Marvin S.C. Dang David C. Farmer Christopher Shea Goodwin

Steven Guttman Arlette S. Harada James Hochberg Elizabeth A. Kane William J. Plum David B. Rosen Andrew Salenger Mark T. Shklov Yuriko J. Sugimura Thomas J. Wong

Reginald K.T. Yee

Reply to: STEVEN GUTTMAN, CHAIR

220 SOUTH KING STREET SUITE 1900

HONOLULU. HAWAII 96813 TELEPHONE: (808) 536-1900

FAX: (808) 529-7177

E-MAIL: sguttman@kdubm.com

Dear Chair, Vice-Chair, and Members of the Committee:

Representative Sylvia Luke, Chair

Representative Scott Y. Nishimoto, Vice-Chair

House Committee on Finance

HB 346 Relating to Civil Process Hearing: February 27, 2015, 1:30 p.m. Testimony in Opposition and Comment

This testimony is being submitted on behalf of the Collection Law Section of the Hawaii Bar Association ("CLS").1 The CLS opposes: (1) increasing the "minimum" fee for hourly work by a process server from \$50 per hour to \$75 per hour; and (2) increasing the commission or percentage of the sale allowed, for serving an "execution or other process for the collection of money." On the other aspects of the bill, the CLS would like to point out that the fee increases sought are random in nature, inconsistent with one another and not tied to any index or other justification.

- 1. Hourly fees. The applicable subsections involve an hourly fee arrangement that is typically used when a person is evading service of a court document or when some other circumstances dictate the use of special effort or a higher level of skill on the part of the process server. For example, a process server may have to stakeout a house or building for hours on end in order to have a chance at finding and serving an individual. Regardless of the situation, the current minimum of \$50 per hour is just that, a minimum, and is a sufficient amount for the majority of the cases where the special need arises. Moreover, the current statute does not cap, in any way, the party needing the service and the process server providing the service, from agreeing to a higher fee.
- 2. Execution Commission. The applicable subsections involve the percentage of a sale the process server gets for selling an asset to satisfy a judgment. These sales typically involve real property and normally occur on the court house steps in the form of an auction. The proposed increases for District and Circuit Court sales are not simply increases for inflation, but real increases in the commission allowed. For example, a real estate broker typically gets a commission for selling property. The real estate industry does not however, ask for increases to that amount every few years, just because of inflation. Why? Given enough years, every real estate broker would eventually be entitled to a commission equal the entire value of the asset they were selling. In other words, a 100% commission. In the current situation, the percentages provided for in the statutes are sufficient for the amount of work involved in selling an asset. If the percentage is not sufficient, the process server can always refuse the job unless he or she is paid by the hour.

The comments and recommendations submitted reflect the position/viewpoint of the Collection Law Section of the HSBA. The position/viewpoint has not been reviewed or approved by the HSBA Board of Directors, and is not being endorsed by the Hawaii State Bar Association.

A look at the remaining fee increases sought show a random pattern of requests. In one instance, service of a civil process for Circuit Court jumps from \$25 to \$65. However, for District Court, the increase is less substantial, namely from \$25 to \$40. Similarly, mileage for Circuit Court jumps from \$.40 to \$.80 per mile. However, for District Court, the increase sought is from \$.40 to \$.60. In all cases, the documents being served are the *same* kind of documents. Besides being random in nature, the requests are not tied to any index or other justification.

The CLS recommends that this bill be given a closer look before any action is taken.

Thank you.

Respectfully,

/S/ William J. Plum

William J. Plum Vice-Chair Collection Law Section of the HSBA

cc: Steven Guttman
Patricia A. Mau-Shimizu

\hb346-1.cls



TEL: 808-524-5161 FAX: 808-521-4120 ADDRESS: 1000 Bishop Street, Suite 301B Honolulu, HI 96813-4203

Presentation To
House Committee on Finance
February 27, 2015 at 1:30pm
State Capitol Conference Room 308

Testimony in Opposition to House Bill 346

TO: The Honorable Sylvia Luke, Chair
The Honorable Scott Y. Nishimoto, Vice Chair
Members of the Committee

My name is Edward Pei and I am the Executive Director of the Hawaii Bankers Association (HBA). HBA is the trade association representing eleven FDIC insured depository institutions with branch offices in the State of Hawaii.

The Hawaii Bankers Association understands that periodic fee increases for services rendered may be necessary, as operating costs increase. However, the magnitude of the fee increases should be reasonable so as to not significantly and drastically affect the cost to the user of those services. Regular modest increases is always preferable to one time dramatic increases that may not have been anticipated. This will assure users of these services have had time to properly plan and budget for these new fees.

This is the case with some of the fee increases proposed in House Bill 346. Some of the increases more than double the current fees. While we realize that some of these fees have not been increased for a number of years, we hope that any increase will be reasonable and moderate, and future increases will be more deliberately planned, rather than representing a substantial adjustment.

Thank you for the opportunity to submit this testimony and please let us know if we can provide further information.

Edward Y. W. Pei (808) 524-5161

HAWAII FINANCIAL SERVICES ASSOCIATION

c/o Marvin S.C. Dang, Attorney-at-Law P.O. Box 4109 Honolulu, Hawaii 96812-4109 Telephone No.: (808) 521-8521

February 27, 2015

Rep. Sylvia J. Luke, Chair Rep. Scott Y. Nishimoto, Vice Chair and members of the House Committee on Finance Hawaii State Capitol Honolulu, Hawaii 96813

Re: House Bill 346 (Civil Process)

Hearing Date/Time: Friday, February 27, 2015, 1:30 p.m.

I am Marvin Dang, the attorney for the **Hawaii Financial Services Association** ("HFSA"). The HFSA is a trade association for Hawaii's consumer credit industry. Its members include Hawaii financial services loan companies (which make mortgage loans and other loans, and which are regulated by the Hawaii Commissioner of Financial Institutions), mortgage lenders, and financial institutions.

The HFSA offers comments and recommends a proposed amendment to this Bill.

The purpose of this Bill is to increase the service of process fees.

The HFSA understands that the intent of this Bill is to increase the fees for process servers because their statutory fees were last increased about a decade ago. However, the HFSA believes that more discussion is needed about (1) the reasonableness of the specific amount of the proposed fee increases, and (2) the impact that proposed fee increases will have on litigants (both plaintiffs and defendants).

Accordingly, we ask that the Bill be amended to insert a "defective" effective date to encourage further discussion.

Thank you for considering our testimony.

Marin S. C. Dane

MARVIN S.C. DANG Attorney for Hawaii Financial Services Association

(MSCD/hfsa)

Judiciary Committee

Richard K. Mitchell 1050 Bishop St. #512 Hon. Hi. 96813

Re; HB346

Dear Representative

My name is Richard K. Mitchell and I have been a Civil Deputy Sheriff from 1991 till 2001 when the civil section was closed. I have been a Civil Process Server since then.

I am writing this letter to ask support for HB346. It has been 14 years since the last increase we have seen for fees for serving of civil documents. My understanding is that, when closing the civil section of the Sheriffs Division we were no longer under Public Safety, we were considered and deemed Private Individual Civil Process Servers.

Within these past 14 years the cost of living across the country as well as Hawaii has drastically increased. We have seen the mean average of a home in Hawaii increase from \$415,000 to its current state of \$700,000. With this increase occurs the influx of fuel prices, minimum wage and everyday life. We as privatized process servers have not been able to conform our wages and prices to match such increase in hindsight "eating" the cost of our duties.

The current day Privatized Process Servers are unable to pass on the GET tax to their consumers, in fact we are the only business / entity disallowed to do so, as well as having to go through Legislation to increase our fees. We are a private business and do not fall in the same legislation rights and regulations as other privatized business owners.

As Private Civil Process Servers, why are we treated as though we are still under Public Safety and have to go through legislation to raise our fees? We are a free enterprise and should be able to charge a fee that is reasonable to today's standards. What other businesses have to go through legislation to increase their fees to do work? If you still feel we need to be legislated I feel HB346 is a fair rate to raise our fees.

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I applicuate	vous time an	u voui assisi	ance in a	/UJJIIIE I IDJTU.

Sincerely.

Richard K. Mitchell

finance8-Melanie

From: mailinglist@capitol.hawaii.gov

Sent: Wednesday, February 25, 2015 2:18 PM

To: FINTestimony

Cc: zilandnor@yahoo.com

Submitted testimony for HB346 on Feb 27, 2015 13:30PM

HB346

Submitted on: 2/25/2015

Testimony for FIN on Feb 27, 2015 13:30PM in Conference Room 308

Submitted By	Organization	Testifier Position	Present at Hearing
Ron	Individual	Support	No

Comments:

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

finance8-Melanie

From: mailinglist@capitol.hawaii.gov

Sent: Wednesday, February 25, 2015 2:13 PM

To: FINTestimony **Cc:** jsp808@gmail.com

Submitted testimony for HB346 on Feb 27, 2015 13:30PM

HB346

Submitted on: 2/25/2015

Testimony for FIN on Feb 27, 2015 13:30PM in Conference Room 308

Submitted By	Organization	Testifier Position	Present at Hearing
John	Individual	Support	No

Comments:

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From: mailinglist@capitol.hawaii.gov
Sent: Tuesday, February 24, 2015 5:44 PM

To: FINTestimony

Cc: dhtoyama@gmail.com

Subject: Submitted testimony for HB346 on Feb 27, 2015 13:30PM

HB346

Submitted on: 2/24/2015

Testimony for FIN on Feb 27, 2015 13:30PM in Conference Room 308

Submitted By	Organization	Testifier Position	Present at Hearing
Daniel Toyama	Individual	Support	No

Comments: I am in full support of this measure. We have tried unsuccessfully in increasing the fees a little at a time, but was denied. Therefore we now need a substantial increase to be self-sufficient.

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finance8-Melanie

From: mailinglist@capitol.hawaii.gov

Sent: Wednesday, February 25, 2015 2:19 PM

To: FINTestimony

Cc: spawnjah069@yahoo.com

*Subject: *Submitted testimony for HB346 on Feb 27, 2015 13:30PM*

HB346

Submitted on: 2/25/2015

Testimony for FIN on Feb 27, 2015 13:30PM in Conference Room 308

Submitted By	Organization	Testifier Position	Present at Hearing
Curtis	Individual	Support	No

Comments:

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FIN-Jo

From: mailinglist@capitol.hawaii.gov

Sent: Wednesday, February 25, 2015 6:56 PM

To: FINTestimony

Cc: chris.balma3@gmail.com

Subject: *Submitted testimony for HB346 on Feb 27, 2015 13:30PM*

HB346

Submitted on: 2/25/2015

Testimony for FIN on Feb 27, 2015 13:30PM in Conference Room 308

Submitted By	Organization	Testifier Position	Present at Hearing
Chris Balmaceda	Individual	Support	No

Comments:

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From: mailinglist@capitol.hawaii.gov

Sent: Wednesday, February 25, 2015 7:33 PM

To: FINTestimony

Cc: wwi808@yahoo.com

*Subject: *Submitted testimony for HB346 on Feb 27, 2015 13:30PM*

HB346

Submitted on: 2/25/2015

Testimony for FIN on Feb 27, 2015 13:30PM in Conference Room 308

Submitted By	Organization	Testifier Position	Present at Hearing
Walter Ilagan	Individual	Support	No

Comments:

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From: mailinglist@capitol.hawaii.gov

Sent: Wednesday, February 25, 2015 3:13 PM

To: FINTestimony

Cc: gasgas808@yahoo.com

Subject: Submitted testimony for HB346 on Feb 27, 2015 13:30PM

HB346

Submitted on: 2/25/2015

Testimony for FIN on Feb 27, 2015 13:30PM in Conference Room 308

Submitted By	Organization	Testifier Position	Present at Hearing
Ryan Gouveia	Individual	Support	No

Comments: I have used a process server in the past and truly believe that they are long over due for an increase in service and fuel charges.

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From: mailinglist@capitol.hawaii.gov

Sent: Wednesday, February 25, 2015 7:58 PM

To: FINTestimony

Cc: ronkwswong@yahoo.com

*Subject: *Submitted testimony for HB346 on Feb 27, 2015 13:30PM*

HB346

Submitted on: 2/25/2015

Testimony for FIN on Feb 27, 2015 13:30PM in Conference Room 308

Submitted By	Organization	Testifier Position	Present at Hearing
Ron Wong	Individual	Support	No

Comments:

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From: mailinglist@capitol.hawaii.gov

Sent: Wednesday, February 25, 2015 3:21 PM

To: FINTestimony

Cc: firefuji047@yahoo.com

Subject: Submitted testimony for HB346 on Feb 27, 2015 13:30PM

HB346

Submitted on: 2/25/2015

Testimony for FIN on Feb 27, 2015 13:30PM in Conference Room 308

Submitted By	Organization	Testifier Position	Present at Hearing
neil fujuioka	Individual	Support	No

Comments: I have used the assistance of several process servers in various cases and am aware of the amount of driving and time it requires of them. I am appreciative and realize the efficiency and time management it requires. I completely believe in raising their fee for service as well as support their request to increase their fuel charge.

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

From: mailinglist@capitol.hawaii.gov

Sent: Wednesday, February 25, 2015 2:42 PM

To: FINTestimony

Cc: hapaboy6@hawaii.rr.com

Subject: Submitted testimony for HB346 on Feb 27, 2015 13:30PM

HB346

Submitted on: 2/25/2015

Testimony for FIN on Feb 27, 2015 13:30PM in Conference Room 308

Submitted By	Organization	Testifier Position	Present at Hearing
matt fujimoto	Individual	Support	No

Comments: I am in support of HB346. I have used a process server before in the past and have found them to be efficient and professional. I was surprised that the fee I owed for his service was so little. I support their request to increase their fee for service as well as a increase in fuel charges.

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

From: mailinglist@capitol.hawaii.gov

Sent: Wednesday, February 25, 2015 7:45 PM

To: FINTestimony

Cc: kalanicabison@yahoo.com

Subject: *Submitted testimony for HB346 on Feb 27, 2015 13:30PM*

HB346

Submitted on: 2/25/2015

Testimony for FIN on Feb 27, 2015 13:30PM in Conference Room 308

Submitted By	Organization	Testifier Position	Present at Hearing
Kalani Cabison	Individual	Support	No

Comments:

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From: mailinglist@capitol.hawaii.gov

Sent: Wednesday, February 25, 2015 7:49 PM

To: FINTestimony

Cc: brycenakashima@yahoo.com

*Subject: *Submitted testimony for HB346 on Feb 27, 2015 13:30PM*

HB346

Submitted on: 2/25/2015

Testimony for FIN on Feb 27, 2015 13:30PM in Conference Room 308

Submitted By	Organization	Testifier Position	Present at Hearing
Bryce Nakashima	Individual	Support	No

Comments:

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From: mailinglist@capitol.hawaii.gov

Sent: Thursday, February 26, 2015 11:24 AM

To: FINTestimony

Cc: kekoagonzales@yahoo.com

*Subject: *Submitted testimony for HB346 on Feb 27, 2015 13:30PM*

HB346

Submitted on: 2/26/2015

Testimony for FIN on Feb 27, 2015 13:30PM in Conference Room 308

Submitted By	Organization	Testifier Position	Present at Hearing
kekoagonzales	Individual	Support	No

Comments:

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FIN-Jo

From: mailinglist@capitol.hawaii.gov

Sent: Wednesday, February 25, 2015 9:21 PM

To: FINTestimony

Cc: scanlanjdk@gmail.com

Subject: *Submitted testimony for HB346 on Feb 27, 2015 13:30PM*

HB346

Submitted on: 2/25/2015

Testimony for FIN on Feb 27, 2015 13:30PM in Conference Room 308

Submitted By	Organization	Testifier Position	Present at Hearing
John D K Scanlan	Individual	Support	No

Comments:

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FIN-Jo

From: mailinglist@capitol.hawaii.gov

Sent: Thursday, February 26, 2015 7:59 AM

To: FINTestimony

Cc: jahrod25@yahoo.com

Subject: *Submitted testimony for HB346 on Feb 27, 2015 13:30PM*

HB346

Submitted on: 2/26/2015

Testimony for FIN on Feb 27, 2015 13:30PM in Conference Room 308

Submitted By	Organization	Testifier Position	Present at Hearing	
jake	Individual	Support	No	

Comments:

Please note that testimony submitted <u>less than 24 hours prior to the hearing</u>, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

HB 346

RELATING TO THE CIVIL PROCESS

COMMITTEE ON FINANCE

Rep. Sylvia Luke, Chair

Rep. Scott Y. Nishimoto, Vice Chair

Kealamaikahiki Loo

1436 Uila St. Honolulu, Hi 96818

Civil Processor

Tuesday, February 27, 2015, 1:30pm

My name is Kealamaikahiki Loo and I am providing testimony for HB 346 RELATING TO CIVIL PROCESS. I am in support of HB 346 as it relates to increasing of fees for civil process servers. I believe the fee increase is necessary and needed.

The lastest statute for the processing of civil papers was established in 2001. I believe the statute is outdated and does not take into account the rate of inflation from 2001-2015. The increases that are stated in HB 346 would update the current statute. As processors were are asked to travel many miles to serve the defendant. Finding a defendant could take minutes to days. In order to account for the wear and tear on our personal vehicles HB 346 would also raise the per mile fee. I ask the committee to also take into account the raising of the federal minimum wage over the time period from when the statute was established up until the current time.

I thank the committee for taking the time to read my testimony. Again, I am in support of HB 346 and its' support for the increasing of civil processing fees.

Regards,

Kealamaikahiki Loo

To:

Representative, Sylvia Luke, Chair Representative, Scott Y. Nishimoto, Vice chair And The Finance Committee

Notice of Hearing Friday, February 27,2015 1:30 P.M., State Capitol, Conference Room 308

RE: HB 346 – Relating to the Civil Process Serving Fees

HB 346 is a bill that I am in support of. I am a Privatized Civil Process Server and am in agreement of its overview. As a Process server, my fee for service has been standardized at a rate of \$25.00 for service and \$0.40 per mile. As the cost of living increases in Hawaii, the fees have remained unchanged for the last 14 years. The majority of our cost, as Process Servers relies solely on the cost of fuel. Each day I may travel a total of 100-200 miles a day, and as we all know the prices of fuel in Hawaii have been at a record high and to charge \$0.08 per mile is not suffice. Increasing the cost of fuel per mile is a fair and adequate request.

In address of the fee for service, our current charge does not include the GE taxes that are imposed on me when filing my taxes. As a private entity, I should be allowed to include the taxes incurred into my service fee as do, all other private business owners. As it stands legislation has deemed that we are not allowed to charge for these taxes and in essence I am taking a loss in service.

I am requesting an increase in my service fee from \$25.00 to \$65.00 in addition to the fuel charge increased from \$0.40 to \$0.80.

I appreciate your time and attention to this bill, and thank you for the opportunity to comment on this matter.

Very Respectfully,

Ernel J. Smith III

From: mailinglist@capitol.hawaii.gov

Sent: Wednesday, February 25, 2015 10:32 PM

To: FINTestimony

Cc: sandywhang@gmail.com

Subject: Submitted testimony for HB346 on Feb 27, 2015 13:30PM

HB346

Submitted on: 2/25/2015

Testimony for FIN on Feb 27, 2015 13:30PM in Conference Room 308

Submitted By	Organization	Testifier Position	Present at Hearing
sandra whang	Individual	Comments Only	No

Comments: I am a civil process server and passing this bill would be beneficial to the industry. We are losing competant process servers due to the high cost of gas and other related expenses. The time and effort that goes into service of process may not always benefit the server. There are many instances where service cannot be effected on the first attempt, therefore another attemp or more needs to be made. In this case, only mileage can be charged unless service is effected. Raising the fees will assist in the high gas prices, GET taxes (which the statute does not allow us to charge) although we are subjected to, vehicle maintenance, insurance, and other related expenses. I respectfully ask that this bill be entered.

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February 25, 2015

To: Representative, Sylvia Luke, Chair Representative, Scott Y. Nishimoto, Vice Chair And The Finance Committee



HB 346

Relating to the Civil Process Serving Fees
Notice of Hearing Friday, February 27, 2015
1:30 P.M., State Capitol, Conference Room 308
By
Shane K Ching, Privatized Civil Process Server

HB346 is a request to standardize and increase the fees imposed by legislation on Privatized Civil Process Servers in Hawaii. The current bill has set the standards and fee for service imposed on Civil Process Servers. This bill has limited the amount of fees that a Process Server may charge and was last evaluated as of the year 2001. I as both a Privatized Civil Process Server and a supporter of this bill am requesting sincere consideration of your support for the following reasons:

As it currently stands I am allowed to charge \$25.00 for my fee for service to include an additional charge of \$0.40 per mile. The majority of cost incurred to me as a process server is defined in the amount of miles I travel on a daily basis. As we all know the cost of living in Hawaii has significantly increased since the year 2001. For example the Mean cost of a home in Hawaii in the year 2001 was \$415,000.00, and at present \$700,000.00. But the most dramatic increase felt and noted is the rise in fuel cost over the last 14 years. We have seen record highs over the last 4 years, although the fuel prices have decreased significantly within the last 6 months, the questioned posed is, how long will this last? I am proposing to increase the fee for service to \$65.00 per summons and an increased fuel charge of \$0.80 per mile, in accordance with the influx and surge in rising economic prices throughout our state for the year 2015.

Process Servers were originally a branch of the Sheriff's Department, as of 14 years ago. Upon legislation agreement in 2001, Process Servers were to be considered Privatized Civil Process Servers working as privately owned entities / business owners. It is difficult to understand that as a private entity our fee for service as well as limitations set forth, as legislatively driven and unchanged since the year 2001. We as private entities should be allowed to charge what is due and forthcoming for our services. Our current fees due not include the GE taxes imposed upon us, we are currently not allowed to incurred those taxes in our fee for service as does any other private business owner can and will do. We have basically taken a loss in the inability to include the taxes into our service fee.

I am requesting for reconsideration in the standardization imposed and have full confidence in the Committee's decision of equality and fairness.

Thank You for the opportunity to comment on this bill.